

20 November 1950

MEMORANDUM FOR: The Executive

SUBJECT: Employment of Retired Officers

1. Reference is made to the Memorandum for the Record, forwarded to you from the General Counsel, dated 1 November 1950, on the legal prohibitions against the employment of retired officers.

2. If it is desired to employ retired officers (other than as intermittent consultants), it will be necessary to await passage of legislation presently before the Congress to permit such employment, or to submit our own legislation as an amendment to the Central Intelligence Agency Act of 1949. A draft of such legislation is attached herewith.

3. In requesting legislation, it is necessary to forward a draft to the Bureau of the Budget, requesting permission to submit the amendment to Congress. When such a proposal was first made to the Bureau two years ago, as a part of Central Intelligence Agency legislation, the Bureau was reluctant to concur, and we withdrew our request. In approaching the Bureau and the Committees of Congress, we should point out to them that this Agency should have the authority to hire the finest brains in the country, no matter what restrictions are involved, and that for certain types of work, specially qualified military personnel would be the best available. Furthermore, in some cases direct employment would be preferable to detailing qualified officers to the Agency by the Services, as officers on detail do not provide the desired continuity of service and singleness of purpose.

4. As noted in General Counsel's memorandum, S. 2351, which is a bill relating to the receipt of compensation from dual employments, has already passed the Senate and is pending before

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the House Committee on Post Office and Civil Service. This bill would allow all agencies of Government to employ retired officers, paying them either their retirement pay or the compensation of the position, whichever they might elect.

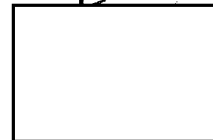
5. Because of the reluctance of the Bureau of the Budget to go along with our initial request, and the existence of present legislation before the Congress which would give us the necessary authorities, I recommend awaiting final decision on S. 2351. Word as to whether the House will complete action on this legislation should be available on or about 1 December. I am told by the Committee staff that if the House does not take up this legislation at the present short session, it will be immediately re-introduced in the 82nd Congress.

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Walter L. Pforzheimer
Legislative Counsel

Attachment



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AN ACT

To amend section 6 of the Central Intelligence Agency Act of 1949.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Central Intelligence Agency Act of 1949 (Act of June 20, 1949, ch. 227, Sec. 6, 63 Stat. 211) is hereby amended by striking out the period at the end thereof, and inserting in lieu of such period a semi-colon, and by inserting at the end of such section the following new sub-section:

"(f) Notwithstanding Section 2 of the Act of July 31, 1894, 28 Stat. 205, 5 USCA 62, as amended, or any other law prohibiting the employment of any retired commissioned or warrant officer of the Armed Services, employ and pay the compensation of retired officers or warrant officers of the Armed Services while performing service for the Agency, but while so serving such retired officer will be entitled to receive only the compensation of his position with the Agency or his retired pay, whichever he may elect, unless otherwise authorized by law."